
Ruffer SICAV

Société d'Investissement à Capital Variable
15, avenue J.F. Kennedy
L-1855 Luxembourg
R.C.S. Luxembourg B.161.817
(the 'Company')

Notice to the Shareholders of Ruffer SICAV

Dear Shareholder,

The board of directors of Ruffer SICAV (the 'Board of Directors') is writing to you to inform you of a number of changes it is making to the Company and its prospectus dated April 2016 (the 'Prospectus').

1 Amendments to the Prospectus concerning all the shareholders of the Company

- a The Board of Directors has decided to update the Prospectus in light of the Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 as regards depositary functions, remuneration policies and sanctions (UCITS V) amending Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities.

The following UCITS V-related changes have been inserted in the Prospectus –

- the definition of the 'Custodian' has been replaced with a definition of the 'Depositary Bank' in the section 'Glossary of Terms'
- the definition of 'Directive 2009/65' has been updated with a definition of the 'UCITS Directive' in the section 'Glossary of Terms'
- the section 'Management of the Company' has been updated in order to (A) reflect the Management Company's duties to (i) implement appropriate control mechanisms and procedures in relation to any delegated duty, (ii) carefully and diligently select and monitor the third parties to whom functions and duties may be delegated and to ensure that the relevant parties have sufficient experience and knowledge as well as the necessary authorization required to carry out the functions delegated to such third parties, and (B) describe the Remuneration Policy established and applied by the Management Company and
- the section 'Management of the Company' has been updated in the light of UCITS V requirements applicable to the depositary bank, and in particular with respect to liability issues, delegation, and conflicts of interest. Investors are informed that there is an increase in the fee structure for the Fund due to above change in relation to the additional oversight and monitoring functions the depositary bank is required to perform.
- investors are also informed that that the Company and its management company have agreed to increase the cap of the management company services fees. However, the maximum management company fee as disclosed within the prospectus remains the same.

b The Board of Directors has decided to insert the following updates in the Prospectus –

- the section 'Techniques and Instruments' has been amended to specify that none of the Sub-Funds has entered into (i) repurchase or reverse repurchase transactions and (ii) securities lending and borrowing transactions

- the section ‘Risk Factors’ has been amended in order to reflect (i) the possibility that the Company may be subject to FATCA, (ii) the risks related to the UK Referendum on its Membership of the European Union, and (iii) cyber-security risks
- as a result of the Board of Directors’ decision to rename the existing Sub-Fund ‘Ruffer SICAV – Ruffer Global Smaller Companies Fund’ to ‘Ruffer SICAV – Ruffer Emerging Markets Fund’, all references to the existing Sub-Fund ‘Ruffer SICAV – Ruffer Global Smaller Companies Fund’ have been updated accordingly, in particular in the section ‘Management of the Company’ and in the section ‘Information for Investors in Germany’ and
- the section ‘Taxation in Luxembourg’ has been amended in order to (i) delete the sub-section ‘EU Savings Directive’ following the repeal of the EU Savings Directive, (ii) clarify the sub-section ‘US Foreign Account Tax Compliance Requirements (FATCA)’, and (iii) disclose in the sub-section ‘Common Reporting Standard (CRS)’ the duties the Company may be subject to.

2 Amendments to the Prospectus concerning the Sub-Funds of the Company

a Supplement 1 relating to Ruffer SICAV – Ruffer Total Return International

The sub-section ‘Investment Objective and Policy’ has been amended to specify that the Sub-Fund has not entered into (i) repurchase or reverse repurchase transactions, (ii) securities lending and borrowing transactions and (iii) total return swaps.

The sub-section ‘Classes of Shares’ has been amended to reflect the fact that the Classes of Shares offered by the Sub-Fund may be denominated in Yen and in Australian Dollars with the introduction of four new classes of shares, ie Class C JPY capitalization share class, class C AUD capitalisation share class, Class I JPY capitalization share class and class I AUD capitalization share class.

b Supplement 2 relating to Ruffer SICAV – Ruffer Global Smaller Companies Fund

Supplement 2 has been updated in order to reflect the change in the name of the Sub-Fund which shall be renamed ‘Ruffer SICAV – Ruffer Emerging Markets Fund’.

The sub-section ‘Investment Objective and Policy’ has been amended to (A) disclose the updated investment objective and policy applied by the Sub-Fund and (B) specify that the Sub-Fund has not entered into (i) repurchase or reverse repurchase transactions, (ii) securities lending and borrowing transactions and (iii) total return swaps.

What is the new investment policy?

The update to the investment policy is set out in the table below. For ease of reference we have put the current and new wording side by side and highlighted the new paragraph so that it is easy for you to compare.

Current investment policy

The investment objective of the Sub-Fund is to achieve positive returns from an actively managed portfolio mainly of equities and equity related securities of companies with a market capitalisation of USD 5 billion or less and selected on a global basis ('Smaller Companies').

In order to achieve its objective, the Sub-Fund will mainly invest

- directly in equities and equity related securities of Smaller Companies and/or
- in undertakings for collective investment (UCIs) including other Sub-Funds (within the below limit of 10% in UCIs) and/or
- in any Transferable Securities (such as structured products) linked (or offering an exposure) to the performance of the above-mentioned securities.

The choice of investments will neither be limited by geographical area (including emerging markets), economic sector nor in terms of currencies in which investments will be denominated. However, depending on financial market conditions, a particular focus can be placed in a single country (or some countries) and/or in a single currency and/or in a single economic sector.

Updated investment policy

The investment objective of the Sub-Fund is to achieve positive returns from an actively managed portfolio mainly of *equities and Equity Related Securities (as defined below)* of

- i companies listed on stock exchanges and/or traded on Regulated Markets and/or dealt in Other Regulated Markets in countries whose equities or Equity Related Securities are included in the MSCI Emerging Markets Index ('Emerging Market Countries') and*
- ii companies which conduct the main part of their economic activity in such Emerging Market Countries*

with (i) and (ii) together being 'Emerging Market Companies'

'Equity Related Securities' shall include but not be limited to American Depositary Receipts and Global Depositary Receipts. The investment in Equity Related Securities enables the Sub-Fund to gain exposure to equity securities instead of investing in securities directly in circumstances where, due to local restrictions or quota limitations, it is not possible to hold these directly or where it is otherwise advantageous to the Sub-Fund to do so.

In order to achieve its objective, the Sub-Fund will mainly invest

- directly in equities and Equity Related Securities of *Emerging Market Companies* and/or
- in undertakings for collective investment (UCIs) including other Sub-Funds (within the below limit of 10% in UCIs) and/or
- in any Transferable Securities (such as structured products) linked (or offering an exposure) to the performance of the above-mentioned securities.

The choice of investments will neither be *limited by economic sector* nor in terms of currencies in which investments will be denominated. *Depending* on financial market conditions, a particular focus can be placed in a single country (or some countries) and/or in a single currency and/or in a single economic sector.

The rationale for the change of the investment policy of the Sub-Fund is that the portfolio manager's sees greater long-term investment opportunities in emerging markets versus developed markets. Indeed, emerging markets have become attractive areas of investment and are increasingly being recognised as a standalone and important asset class.

The sub-section 'Special Risk considerations' has been modified in order to refer to the risks specifically associated with Emerging Markets.

c Supplement 3 relating to Ruffer SICAV – Ruffer UK Mid and Smaller Companies Fund

The sub-section 'Investment Objective and Policy' has been amended to specify that the Sub-Fund has not entered into (i) repurchase or reverse repurchase transactions, (ii) securities lending and borrowing transactions and (iii) total return swaps.

d Supplement 4 relating to Ruffer SICAV – Ruffer Fixed Income

The sub-section 'Investment Objective and Policy' has been amended to specify that the Sub-Fund has not entered into (i) repurchase or reverse repurchase transactions, (ii) securities lending and borrowing transactions and (iii) total return swaps.

Shareholders who do not agree with the changes mentioned in the above item 2.b. may request the redemption of their shares, without any charges, during a one month period beginning on the date of the sending out of this notice.

The above changes will be reflected in an updated Prospectus dated February 2017.

A copy of this new Prospectus will be available upon request at the registered office of the Company.

Capitalised terms used in this notice shall have the same meaning ascribed to them in the Prospectus unless the context otherwise requires.

Should you have any questions in relation to the above, please contact the Company at the address above.

Yours faithfully,

Luxembourg, 13 January 2017

The Board of Directors of Ruffer SICAV

Name

Title

Name

Title